

## **FISCAL NOTE**

### **SB 3047 – HB 3888**

March 13, 2006

**SUMMARY OF BILL:** Prohibits job tax credits, credits that could be used against a taxpayer's franchise and/or excise tax liability, or any other tax credits granted to taxpayers that reduce company-provided benefits, including life insurance benefits, retirement benefits or health insurance benefits, to any class or group of employees or retirees of such company.

#### **ESTIMATED FISCAL IMPACT:**

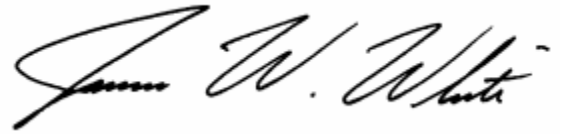
**Other Fiscal Impact - The fiscal impact of this bill is dependent upon two unknown variables: (1) the extent of tax credits allowed and (2) the number of businesses that would reduce company-provided benefits to their employees. Therefore, estimating the fiscal impact for this bill is difficult due to the unknown extent of the two variables. However, if one company decreases company-provided benefits, that is also eligible for some type of tax credit, the fiscal impact is estimated to be a significant increase to state revenues, but by an unknown amount.**

#### Assumptions:

- Company benefits that are offered and provided to prospective employees, including employees who have separated from the company for any reason, may be less extensive than company benefits offered to current employees and retirees without violating provisions of this act.
- Employees who are terminated, who are subject to a reduction in force, who voluntarily terminate their employment, or who are subject to disciplinary action shall not be subject to the provisions of this act.
- The fiscal impact of this bill is dependent upon two unknown variables: (1) the extent of tax credits allowed and (2) the number of businesses that would reduce company-provided benefits to their employees.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director